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Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: strengthening of the coordination of emergency humanitarian assistance of the United Nations; special economic assistance to individual countries or regions

Humanitarian assistance and rehabilitation for selected countries and regions

Report of the Secretary-General

Summary

The present report is submitted to the General Assembly in compliance with its requests in resolutions 59/214, 59/215, 59/216, 59/219 of 22 December 2004 and resolution 60/219 of 22 December 2005. It provides a status report and an analysis of the current challenges on the delivery of both humanitarian and relief and rehabilitation assistance supplied by the United Nations and its partners to countries affected by various types of natural and man-made disasters. In keeping with the request of the General Assembly to the Secretariat to consolidate and streamline reports whenever possible, the country reports under the present agenda item have again been consolidated into a single document covering six countries.

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I. Introduction

1. The present report is submitted to the General Assembly in compliance with its requests in resolutions 59/214, 59/215, 59/216, 59/219 of 22 December 2004 and resolution 60/219 of 22 December 2005, and provides information on relief and rehabilitation assistance supplied by the United Nations and its partners to countries affected by various types of natural and man-made disasters. In keeping with the request of the Assembly to the Secretariat to consolidate and streamline reports whenever possible, the country reports under the present agenda item have again been consolidated into a single document covering six countries.

II. Humanitarian and rehabilitation assistance to individual countries

A. Angola

2. By its resolution 59/216, the General Assembly, inter alia, requested national and international, regional and subregional financial institutions to provide their support to the Government of Angola in its effort to alleviate poverty, consolidate peace and democracy and contribute to economic stability, welcomed the continued commitment of the Government of Angola to improve governance, transparency and accountability in the management of public resources, including natural resources, encouraged the Government of Angola to continue its efforts to that end, called on international organizations and others in a position to do so to assist the Government of Angola in this endeavour, and welcomed the commitment of the Government of Angola to the strengthening of its democratic institutions.

Review of major developments

3. General Assembly resolution 59/216 is no longer relevant to describe the current context in Angola. Four years after the signing of the Luena Peace Agreement on 4 April 2002, the consolidation of the peace process is a reality, and Angola has definitively moved from an emergency and humanitarian assistance phase to a recovery, reconstruction and development phase. In such a context, the report of the Secretary-General on special economic assistance to Angola should focus on the new challenges linked to the national recovery and reconstruction efforts of the Angolan Government and its development partners.

4. Despite limited support from the international community, Angola has been quite innovative in finding its own way to rebuild the country against the backdrop of a legacy of more than 30 years of war and destruction. The country is moving towards reconstruction by maximizing South-South cooperation with China, Brazil and India, which are providing substantial loans under favourable conditions to support national reconstruction efforts, particularly in the area of infrastructural development. To do so, Angola is using its immense oil reserves as collateral, and it expects impressive economic growth through oil revenues and stabilized inflation rates.

5. While the country experienced three-digit inflation during the 1990s and until 2002, the inflation rate has dropped gradually to less than 15 per cent in 2005, and prices are expected to remain stable in 2006. The positive trends in macroeconomic

stabilization and continued gross domestic product (GDP) growth over the past two years (11.6 per cent in 2004 and 20.6 per cent in 2005), the approval of the poverty reduction strategy (Estratégia de Combate à Pobreza) and the preparation of Millennium Development Goals-based national development plans also illustrate Government efforts to reduce poverty.

Current challenges to development

6. However, the biggest challenges remain addressing the desperate need for growth with equity, sustainability and, ultimately, human development. The population of Angola remains among the poorest in the world, and the country ranks only 160th out of 177 in terms of its human development index. The key questions are how to improve exponentially the living conditions of the majority of poor Angolans and move towards the achievement of the Millennium Development Goals.

7. The results of the protracted conflict from which Angola is emerging will be felt by its people for many years to come, but political will, decisive action and firm support from the international community can enhance the ability and capacity of the Government to effectively undertake the extensive reforms, capacity development and employment creation necessary for its development.

8. Current progress, albeit slow, is encouraging. Major demining efforts were placed at the centre of immediate plans to sustain peace and improve human security. To date, the social effects of landmines on the lives of the population have been mapped in 15 out of 18 provinces. The mine action sector has gained much impetus with the sound establishment of national institutions in charge of the coordination and the effective implementation of mine action efforts throughout the country by various actors.

9. Since late 2005, the majority of internally displaced persons, refugees and demobilized soldiers have been or are in the process of being reintegrated into communities. There is also some improvement in some of the social indicators, namely increased enrolment in primary school, rehabilitation and construction of social infrastructures and increased delivery of social services such as health, education, electricity and water and sanitation.

10. There are ongoing efforts for institutional reforms, supported by United Nations programmes, in areas such as decentralization and local governance, modernization of public financial management systems, judicial training and reform, environmental sustainability, civil protection systems, micro-entrepreneurship development, the informal sector and the employment generation strategy.

11. Current preparatory activities for presidential elections in 2007 and the recent adoption of the United Nations Convention against Corruption by the National Assembly in May 2006 clearly signal the Government's commitment to democratic processes, improved governance, transparency and accountability. Fourteen years after the first multiparty elections (which, unfortunately, resulted in renewed violence), the prospects of holding presidential and parliamentary elections have gripped the attention of the nation. An electoral legislative package has been approved and critical issues related to the legal, political and technical conditions that should be established prior to elections are being discussed countrywide.

12. Angola is engaged in playing an active role regionally and internationally, and its recent election as chairperson of the newly established Peacebuilding Commission is to be commended.

13. As mentioned earlier in this report, the signing of the Luena Peace Agreement in April 2002 signalled the beginning of a new era for Angola, in which the key priorities are defined within a framework of sustainable peace and long-term development planning and processes. The national strategy to combat poverty approved in 2004, as well as the 2003 and 2005 Millennium Development Goal reports, entirely reflect these priorities. The legal framework is therefore in existence, but the challenge is in the implementation.

Conclusions and recommendations

14. In spite of its incredible wealth in oil, diamonds and water resources, and its agricultural potential, Angola, as with many in its circumstances, is plagued by high levels of corruption and huge deficits in capacity-building and retention, democratic processes, human rights and the rule of law; in sum, good governance and management. This is one of the biggest challenges for the United Nations system and the international community.

15. The full adoption of the Millennium Development Goal concept by the national authorities constitutes an important opportunity and challenge for the international community. While commitment towards the Millennium Development Goals is expressed in various official documents, statements and speeches, at the programmatic and implementation levels, the political will still finds very little translation and some active resistance, particularly in relation to the inclusion of civil society.

16. On the other hand, there are opportunities in Angola's continuing economic growth, the Government's efforts to engage national and foreign investors by actively promoting economic diversification outside the traditional oil and diamond sectors, a decentralization programme that is gaining momentum and slight improvements in areas such as general public expenditure management and business legal framework, despite inconsistent and ineffective parliamentary budget oversight and an inadequate tradition of accounting and auditing. The forthcoming electoral process foreseen for 2007 will certainly constitute a major milestone in Angola's ongoing pacification and democratization processes. The international community should actively support these efforts and take up the challenge to work hand in hand with the Government of Angola and its development partners — including civil society organizations and the private sector — to build the path for long-term development.

B. Liberia

17. By its resolution 59/219, the General Assembly, inter alia, invited, all States and intergovernmental and non-governmental organizations (NGOs) to provide assistance to Liberia to facilitate the creation of an enabling environment for the promotion of peace, socio-economic development and regional security, invited the international community to provide financial and technical assistance to the National Transitional Government to facilitate free and fair presidential and general elections in October 2005, and urged the National Transitional Government and all

States to facilitate and support the return and reintegration of ex-combatants into their home area, with special attention to children.

Review of major developments

18. The security situation in all 15 counties of Liberia was stabilized at the end of the first year of the integrated mission. The focus in the second year was on returning and reintegrating refugees and internally displaced people (IDPs) to their places of origin, commencing support to the re-establishment of a democratic government and resuscitating the economy.

19. By October 2004 the last demobilization camps were closing, with disarmament being carried out to gather the last remaining arms. By the end of 2004, 103,019 ex-combatants had been disarmed and 101,000 demobilized; 27,000 weapons, 6,153,631 small arms ammunition and 29,794 larger ammunitions were collected. Subsequently, the focus shifted towards reintegration and rehabilitation with vocational training and education. By May 2006, 65,893 ex-combatants were profiting from reintegration opportunities, with 35,981 awaiting assistance.

20. As the security situation across the country improved, the IDP return process commenced in November 2004 and was officially declared complete by the Vice President of Liberia on 20 April 2006. More than 314,000 IDPs were returned to their counties of origin. More than 70,000 refugees have been repatriated from neighbouring countries by the Office of the United Nations High Commissioner for Refugees (UNHCR) from November 2004 through June 2006. While their return to their communities has been accomplished successfully, their long-term reintegration is still in progress and many of their basic needs remain unmet.

21. The rule of law and corruption have been particularly pertinent issues. The Liberian Police Academy was re-established on 12 July 2004, to train the country's new police service. To date 1,800 new Liberian National Police, 155 Liberia Seaport Police and 392 Special Security Service officers have graduated from the Academy. Security sector reform has been under way since before the inauguration of the new Government, but active recruitment of the new Liberian Army began after the inauguration.

22. As reconciliation is a precondition for sustainable peace legislation establishing a truth and reconciliation commission was passed in June 2005. Work began earnestly after the inauguration of the nine commissioners in February 2006, with the official launching in June 2006.

23. Following the October and November 2005 democratic elections, the National Transitional Government of Liberia, was replaced in January 2006 with the installation of Ellen Johnson Sirleaf, the first democratically elected woman president in Africa.

24. After protracted negotiations with international partners, the National Transitional Government of Liberia had committed to the Governance and Economic Management Assistance Programme in September 2005. This programme addresses revenue collection and stresses capacity-building and national ownership of the reform agenda. The United Nations is part of a technical team that helps coordinate international partners with implementation of the Programme and supports organization, monitoring and assessments, ensuring consultation with civil society and planning with the Economic Governance Steering Committee. The

Steering Committee consists of representatives from Government, the international community and civil society, and it oversees implementation of the Programme. As a result of the initiative, the Government is benefiting from the services of internationally recruited experts in strategic economic institutions to enhance transparency and facilitate the transfer of skills.

25. Similarly, the Government, with the Liberia Reconstruction and Development Committee as the principal agent, has been setting the national development agenda around four pillars: expanding peace and security; revitalizing economic activity; rebuilding infrastructure and providing basic services; and strengthening governance and the rule of law. A poverty reduction strategy process has been recently commenced with follow-up on the achievement of Millennium Development Goals from the first Millennium Development Goal report published at the end of 2004.

26. The emphasis on community-based recovery articulated by the United Nations joint action plan (principally UNHCR, the World Food Programme (WFP), the United Nations Development Programme (UNDP) and the United Nations Children's Fund (UNICEF)) mirrors the national development agenda. All development partners engaged in community-based recovery initiatives are now working in a coordinated and cohesive manner to promote rural reconstruction. This includes basic socio-economic infrastructure and service provision, as well as the strengthening of local governance frameworks and mechanisms.

Current challenges to development

27. Despite the dedication of the newly elected Government and the progress that has been made over the past 20 months, severe institutional, material and national capacity constraints are affecting national progress towards achieving the Millennium Development Goals. This is particularly true for human resources in all sectors.

28. The principal constraint is the lack of resources and the current transition from the humanitarian to the developmental context. Many critical NGOs are beginning to phase out, particularly in the health sector, and donor funding is becoming increasingly difficult to attract in the transition period. The 2006 United Nations Consolidated Appeal Process (CAP) for Liberia has received only 25 per cent to date. Some essential areas of the 2006 CAP, such as economic recovery and rehabilitation and education, have received no funding at all. Liberia is experiencing the classic relief-to-development transition conundrum. Although funds are sometimes pledged, severe disbursement delays cause considerable delays in the delivery of assistance. Now is the time for the international community to find speedy solutions and bridge the funding gap between relief and development support.

29. Among the most critical constraints is the lack of reliable data and information management systems in place at the national and county levels. Reliable and comprehensive data, including statistics and geo-information, is crucial to support the national reconstruction and development agenda, i.e. the poverty reduction strategy process and the Millennium Development Goals, as well as such United Nations tools as the common country assessment/United Nations Development Assistance Framework and the cluster coordination framework.

30. The lack of basic social services and infrastructure is posing a severe challenge to economic recovery. Roads, where they exist at all, are in extreme need of repair, and large tracts of rural Liberia are accessible only by air during the rainy season (April-October). There is no public power or water supply, and much of the rural population has no access to power at all.

31. Another key issue is the extremely high level of formal unemployment, estimated to be as high as 85 per cent, with the youth being one of the worst affected segments of the population. This complex situation is not alleviated by the high numbers of unemployed ex-combatants who have completed their reintegration training programmes and the former Armed Forces of Liberia soldiers who were discharged.

32. While the socio-economic situation in the country remains critical, regional security concerns are also widespread. Côte d'Ivoire and Guinea demonstrate signs of unrest, and the security situation remains tentative in Sierra Leone, as it recovers from 10 years of conflict. Contingency preparedness forms a part of the plans of all United Nations agencies and many NGOs.

Conclusions and recommendations

33. For the Millennium Development Goals to be achieved, or at least for substantial progress to be made, massive, pro-poor economic recovery efforts are essential. Substantial donor support is urgently required to help the new Government to commence with some large scale service provision and help meet the expectations of the people of Liberia. The consolidation of the recent hard-won peace is dependent on this. Qualified Liberians must be attracted back to serve their country. Scale and timeliness of resource availability are of the essence.

34. Data and information management are a central pillar of macroeconomic development and achieving the Millennium Development Goals in Liberia, and support for building national capacity is crucial. Reliable data and data products are essential for the development of an effective poverty reduction strategy and other national mechanisms and strategies aimed at reducing poverty.

35. Capacity-building of national institutions is also fundamental. The United Nations is in the process of launching county support teams to work with 15 recently appointed county superintendents as an effort to underpin sound decentralized governance with information and project management skills. The collaboration and support of all development partners would greatly increase the effectiveness of the endeavour.

36. As emphasized in the soon-to-be-launched interim poverty reduction strategy, creating employment is at the heart of recovery and sustainable development in Liberia. Development partners must focus on attracting investment into the country and stabilizing the economic environment in order to foster economic growth.

37. Education and health care, particularly regarding child mortality and maternal health, have similarly been identified by the Government as areas of critical concern. The United Nations system and other development partners need to increase support in these areas if any meaningful progress is to be made towards the Millennium Development Goals in Liberia.

C. Mozambique

38. By its resolution 59/214, the General Assembly, inter alia, took note of the launching by the Government of Mozambique of the national contingency plan for natural disasters to improve disaster prevention, mitigation, preparedness and management, and invited the international community to support this initiative, encouraged the Government of Mozambique to continue its efforts to fight HIV/AIDS, malaria and tuberculosis, and to implement the Action Plan for the Reduction of Absolute Poverty (2001-2005) and national development plans, and stressed the importance of international assistance for the development programme in Mozambique.

Review of major developments

39. The countries in the Southern African region, including Mozambique, are facing a fatal combination of HIV/AIDS, food insecurity and weakened capacity of Government bodies to deliver critical services, a phenomenon known as the "triple threat".

40. The United Nations Integrated Framework on HIV/AIDS was developed in response to the triple threat to ensure that not less than 25 per cent of each United Nations agency budget is spent on HIV/AIDS mitigation. In Mozambique, the United Nations development assistance framework shows that 33 per cent of the United Nations budget in Mozambique is for HIV/AIDS prevention, mitigation and care.

41. Approximately two thirds of the population of Mozambique lives in rural areas and the economy is predominantly based on agriculture. However, Mozambique is particularly vulnerable to recurring natural disasters such as floods and cyclones, droughts and pests. At the moment, Mozambique is at the end of a four-year drought, during which the food security situation deteriorated gradually. However, the 2005-2006 rainy season has been good in most areas. The Ministry of Agriculture preliminary estimate for 2006 agricultural production expects a harvest of 2.1 million tons of cereals, 365,000 tons of vegetables and 7.5 million tons of cassava, representing an increase of between 10 per cent and 14 per cent over 2005 production. As of May 2006, the food security situation is generally improving as food availability improves with the good harvest. Conditions also appear favourable for the second season.

Response

42. The National Disaster Management Institute, under the Ministry of State Administration, is responsible for national disaster management. United Nations support to the Government is coordinated by the United Nations Resident Coordinator's Office in collaboration with the members of the United Nations Disaster Management Team. Different levels of the Government and local and national non-governmental organizations and community-based organizations are also involved in the assessment and coordination of the response. In March 2006 the Council of Ministers approved a new National Disaster Management Institute strategy for 2006-2013, which has a strong focus on prevention and mitigation activities in arid and semi-arid areas.

Food aid and agriculture

43. In June 2005, following the Vulnerability Assessment Committee, the Government of Mozambique appealed for food aid for an estimated 550,000 people in the drought-affected areas (32 districts in 7 provinces). A new assessment by the Committee in October 2005 revised this figure to 801,000 affected people in 61 districts across all of Mozambique's 10 provinces. WFP reached a peak of more than 568,000 drought-affected people in March 2006, just before the harvest started. Other WFP activities such as school feeding and community safety nets (for people affected by HIV/AIDS) are implemented in the same areas. Community safety net activities reach approximately 150,000 people per month year round.

44. The work of the Food and Agriculture Organization of the United Nations (FAO) work on input trade fairs, in collaboration with the Ministry of Agriculture, continued in 2005 to ensure that families had seeds and other agricultural inputs for the 2005-2006 planting season. More than 30,000 vulnerable households were reached during the main cropping season and second season fairs are currently being organized for an additional 45,000 households across the country. In addition, FAO is supporting the Ministry of Agriculture in the rehabilitation of small-scale irrigation schemes, and is promoting nutrition education, vocational training and school gardens (together with WFP), and capacity-building in disease surveillance and control activities in the livestock sector.

45. Ongoing but longer term activities to reduce the impact of HIV/AIDS on food security involve other sectoral partners and include livelihood and market strengthening, vocational training, policy advice on the implementation of land laws for vulnerable households and communities, and advocacy to ensure that food security, HIV/AIDS and rural development are prioritized and operationalized within Government strategies and planning. This collaboration includes technical support to the National Secretariat for Food Security to improve information gathering, analysis and dissemination on current and chronic vulnerability issues.

Health and nutrition

46. The integrated nutrition and health programme led by the Ministry of Health, with support from UNICEF, WFP and local NGOs, is being implemented in 18 drought-affected districts in the provinces of Tete, Manica, Sofala, Gaza and Maputo. Since the initiation of the programme in March, 60,302 children under five have been screened; 4,164 have been identified as moderately malnourished and 706 as severely malnourished; 23,344 have been supplemented with Vitamin A and 28,691 have been de-wormed. Distribution of Corn Soy Blend food to the beneficiaries will start in June. The programme aims to build Government capacity to implement nutrition rehabilitation programmes and to use the lessons learned to develop a long-term programme to address malnutrition and reduce mortality.

47. As part of the cholera response, UNICEF supported the training of 457 health staff on cholera case management in the affected provinces of Sofala, Zambezia, Nampula, Niassa and Manica. Funds were also provided to Sofala, the worst-affected province, to contract 160 additional staff for cholera treatment centres and 160 activists to conduct community education, as well as to procure supplies such as cholera beds and cholera treatment centre kits for eight districts, and to allow the Ministry of Health staff to conduct supervisory visits. Seven large tents were sent to the province to establish additional cholera treatment centres in areas with

outbreaks, and a further 45 tents are pre-positioned at the Ministry of Health in case of widespread epidemics.

Water, sanitation and hygiene promotion

48. Access to safe water and sanitation in drought and cholera-affected areas was increased through ongoing support to the construction of 16 water points and the rehabilitation of a further 132 water points, providing safe water for over 224,600 drought-affected people in Maputo, Gaza, Inhambane, Manica, Sofala, Zambezia and Tete provinces. These activities are being complemented with training of community committees and local authorities for operation, maintenance and management of the water points, including the adoption of safe hygiene practices by the communities. In addition, cholera prevention activities in affected areas are supported through the provision of emergency supplies for the treatment and distribution of water (chlorine, bladders and water treatment units). Financial and technical support is given to the Ministry of Health to organize cholera prevention campaigns and disseminate communication and education materials on cholera prevention and the adoption of safe hygiene practices.

Education

49. In 2005, WFP supported some 50,000 beneficiaries in drought-affected areas with monthly take-home rations as an incentive to keep vulnerable children in school. UNICEF implemented activities in drought-affected areas, including the provision of pre-positioned education materials for learners and teachers, training of school council members on governance, and outreach activities for girls and orphaned and vulnerable children, who are often the first ones to drop out of school in situations of emergency. UNICEF also supported the Ministry of Education with the development of a monitoring system through sentinel schools in vulnerable areas to collect data establishing attendance trends of learners and teachers in order to inform response activities.

Protection

50. The protection of children orphaned or made vulnerable in the context of HIV/AIDS was addressed through targeted interventions funded under UNICEF regular programmes in drought-affected areas. A basic package was developed for delivery to the most vulnerable households caring for orphaned and vulnerable children. The package includes basic household items, hygiene products, water purification tablets, clothing, school materials and mosquito nets. This kit can also be used in localized emergencies such as floods or drought. The primary focus of this additional emergency support planned for 2006 is expected to be child-headed households, households with a chronically ill caregiver and elderly headed households.

51. Training in the prevention of sexual exploitation and abuse in the context of emergencies continued in 2005. Several hundred humanitarian workers from United Nations agencies, NGOs, Government and provincial and community leaders in Gaza and Inhambane provinces have been trained since the project began in 2003. Between January and April 2006, 157 humanitarian workers involved in food distribution were sensitized on the prevention of abuse and exploitation.

Communication

52. The United Nations agencies are providing support to the National Disaster Management Institute in developing information materials and early warning messages on disasters for the general public and are working on the development of a social mobilization and communication strategy. The strategy will contribute to further developing the capacity of the National Disaster Management Institute in the areas of information, communication and advocacy. The United Nations system has offered financial and technical support and information and communications equipment to achieve this objective.

International assistance

53. Mozambique is one of the major recipients of official development assistance (ODA). The country hosts one of the largest joint programmes in Africa, the Programme Aid Partners, comprised by 18 donors, also known as G-18. The Programme Aid Partners provide budget support to Mozambique with the aim of channelling efficient and effective financial support to the implementation of the country's Action Plan for the Reduction of Absolute Poverty. This programme is premised on support for poverty eradication by: (a) building a partnership based on frank and open dialogue on the content and progress of Mozambique's poverty reduction strategy; and (b) providing financing for poverty reduction that is clearly and transparently linked to performance, in a way that improves aid effectiveness and country ownership of the development process, reduces transaction costs, allows allocative efficiency in public spending, predictability of aid flows, increases the effectiveness of the State and public administration, improves monitoring and evaluation and strengthens domestic accountability.

54. The United Nations system, and UNDP in particular, is actively participating in this process as an observer and co-chair of the Development Partners Group, a much wider group comprising the G-18, the United Nations and non-G-18 partners. UNDP assists the coordination of the other United Nations agencies' inputs in the main development process, and it also strives to strengthen national institutional capacities for the Action Plan for the Reduction of Absolute Poverty and monitoring and evaluation of Millennium Development Goals and takes a proactive role in brokering dialogue between Government and civil society, the United Nations agencies and multilateral and bilateral organizations (including the G-18), on the joint programming, harmonization alignment and simplification agenda.

D. Serbia and Montenegro[1]

55. By its resolution 59/215, the General Assembly, inter alia, called upon all States, regional organizations, intergovernmental and non-governmental organizations and other relevant bodies to continue to provide assistance to alleviate the needs of refugees, and internally displaced people, and urged development partners to assist in capacity-building, institution-building and local employment generation in their programmes.

[1] Future reports will contain separate reporting on Serbia, on the one hand, and Montenegro, on the other hand. The reporting period mainly includes data collected before the declaration of independence of the Republic of Montenegro, which explains the common heading.

56. During the reporting period, United Nations humanitarian operations in Serbia and Montenegro have aimed at complementing the relief-to-development transition process, advocating that development policies promote durable solutions and develop national capacity to meet the basic needs of the most vulnerable, while keeping material assistance tightly focused on the basic needs of those who have no other means of support.

Review of major developments in Serbia

57. Serbia saw a declining trend of humanitarian aid until the end of 2004, but aid increased in 2005, owing to natural disasters, particularly floods in the spring of 2005 and 2006. The Serbian Government is still stressing the importance of having access to certain forms of humanitarian aid for an additional period of time, specifically to find a solution for the problems of refugees and IDPs.

58. Although living standards in Serbia are rising, some groups suffered continuous losses and pockets of deep poverty remain. The poverty rate is still around 10.5 per cent, while the inflation rate, which was brought down to 13.4 per cent in 2004, reached 17.7 per cent in 2005. Unemployment is still high (the official unemployment rate for 2005 is around 27 per cent, while the rate based on the 2004 Labour Force Survey is 18.4 per cent) with a large percentage of workers in the grey economy. Moreover, Serbia hosts the highest number of vulnerable groups in the region, and these people are more prone to social exclusion and discrimination. There are 107,000 registered refugees and 160,000 formerly registered refugees deserving support in the process of integration, 208,000 IDPs from Kosovo (where political changes may have an impact on the status and overall number of these individuals), and between 100,000-500,000 Roma.

Current challenges to development assistance in Serbia

59. The major challenges that Serbia is facing vis-à-vis development assistance are, to a great extent, related to the political situation in the country. The State Union of Serbia and Montenegro was dissolved in June 2006, and poor cooperation with the Hague Tribunal resulted in putting on hold the European Union (EU) integration process, and the Kosovo issue remains unresolved.

60. The aggravated political situation also undermines the work of State institutions. So far, the United Nations has been supporting the Council of Ministers in the transition from relief to long-term development, as this institution had the main responsibility for improving the humanitarian situation and creating conditions for long-term development. With the State Union dismantled, subsequent institutional arrangements are yet to be agreed upon.

61. Addressing vulnerability in the western Balkans is crucial for the cohesion of societies. A number of economic, political and social obstacles are preventing the social inclusion of the most vulnerable, but there are also numerous technical obstacles. The general developmental activities undertaken since 2000 do not cover properly all marginalized groups. Either they are not tailored properly to include the interests specific for the most vulnerable owing to the lack of precise data, or if properly tailored, they cannot ensure the proper coverage of the vulnerable due to the complex administrative/bureaucratic/registration-related obstacles.

62. In terms of resource mobilization for improvement of governance and institutional capabilities to use aid more effectively, the United Nations country team and the Council of Ministers signed the UNDAF 2005-2009. The Framework recognized the strategic objectives of the member States of the State Union of Serbia and Montenegro and incorporated the remaining humanitarian issues into development objectives to promote human rights for all and to improve the lives of all citizens, especially those of the most excluded and vulnerable. In that respect, the Government of Serbia is seeking maintenance of a relatively high level of development assistance until 2010/11, as it is estimated that any further decrease of this form of external funding could be damaging to the smooth implementation of democratic reforms.

Conclusions and recommendations

63. The United Nations will support the identification and implementation of the specific sustainable solutions to the problems of vulnerable groups through a comprehensive approach encompassing both regional dimensions and national specifics. Area-based development is a mechanism that can be used extensively in addressing vulnerability at the local level in the development context.

64. The priority for the humanitarian community and the real challenges in meeting the spirit of the Millennium Development Goals lie in redressing the development obstacles facing marginalized and vulnerable groups, including Roma, refugees and IDPs. There is a great need for statistical data on the situation of vulnerable groups, especially in the case of Roma, whose numbers appear to be significantly underestimated by official statistics.

65. The Government of Serbia underlines that while humanitarian needs have declined significantly since 2001, continued donor humanitarian support to United Nations agencies will be crucial to meet immediate basic needs of vulnerable populations. Taking into account resolution of the Kosovo status, the United Nations will continue to seek support from the international community in the next two to three years, specifically for the return and local integration of a sizeable part of IDPs.

Review of major developments in Montenegro

66. In the referendum held on 21 May 2006, voters chose independence for Montenegro, thus dissolving the State Union of Serbia and Montenegro. The referendum was organized in accordance with EU recommendations, standards, monitoring and technical support, and the results were recognized internationally. On 28 June 2006, Montenegro was admitted to the United Nations. Early EU accession remains a high priority while the country seeks resumption of the negotiations on the stabilization and association agreement with the EU.

67. At present, the IDP and refugee caseloads make up 4 per cent of the total population. After the drastic decline of humanitarian assistance in late 2001, the current limited humanitarian support is focused on durable solutions, primarily pending the final status of Kosovo.

68. Despite some encouraging economic trends, 12 per cent of the population lives below the absolute poverty line, while some 30 per cent of the population is

economically vulnerable.[2] Along with IDPs and refugees, the Roma minority is by far the most vulnerable and socially excluded group of the society, with their poverty rate at 53 per cent. In terms of regional disparity, the high poverty rate in the north (19.3 per cent, 45 per cent of the total poor), and political polarization could potentially grow into social tensions and instability, especially in the sensitive post-referendum period.

69. The country has recently recorded improvements in development, economic growth and the human development index. However, during the lengthy economic transition, enterprise restructuring was carried out through labour retrenchment, but without providing social protection and employment opportunities, thus resulting in growing numbers of poor people and a widening gap between the rich and the poor. Furthermore, in Transparency International's 2004 corruption perception index, the now-dissolved State Union of Serbia and Montenegro ranks 2.8 on a scale of 10,[3] a rank typical of countries with high levels of corruption.

70. Despite the progress, democratization and the rule of law are slowed down by the underdeveloped legislative frameworks, insufficient institutional capacity and poor coordination among State institutions. Public administration and the judiciary have a great lack of qualified human resources. Although a legislative framework for decentralization is in place, local authorities still do not perform fully their scope of jurisdictions. Cooperation frameworks between the public and non-governmental sectors have not yet been institutionalized.

71. The exceptional natural resources[4] are often either threatened by overexploitation or represent an untapped potential. Further, there are serious concerns regarding inappropriate solid and wastewater treatment, expending illegal constructions and inadequate spatial planning, and poor implementation of the environmental standards, especially in the industry sector, etc. The governing structures do not have adequate capacity to manage and systematically monitor the natural resources.

Current challenges to development assistance in Montenegro

72. The excellent natural resource endowment can provide the basis for a rapid upturn in the economy over the medium term, which can provide the financial resources to address social issues without recourse to sizeable external borrowing.

73. The country is no longer in a humanitarian crisis situation and is moving towards stabilization and economic development. The Government has developed a strategy[5] for durable solutions for IDPs and refugees. As well, recognizing the extreme vulnerability of Roma, the Government adopted its National Action Plan for Decade of Roma Inclusion 2005-2015, but its enforcement will require the strong commitment of the Government and international support. Given the weakness of

[2] Poverty Reduction Strategy paper, 2003, the Government of Montenegro.

[3] Transparency International, corruption perception index for 2005, see www.transparency.org/

[4] Montenegro is a Conservation International Mediterranean hotspot; it has a Ramsar site (Skadar Lake), two UNESCO World Heritage sites (Kotor and Durmitor), a UNESCO Man and Biosphere Reserve, and species-area index of 0.837, top position on the European biodiversity scale.

[5] Strategy for resolving the issues of refugees and IDPs in Montenegro, April 2005; it is estimated that 60 million euros are needed for its enforcement.

the economy and the underdeveloped social security system, support will be needed to provide access to and quality services for the most vulnerable.

74. The Millennium Development Goals report for Montenegro[6] identifies the key challenges as follows: the fight against poverty, the constitution of a modern State based on the rule of law and democratization, and revitalization of the economy within the framework of sustainable development. To achieve this, the report recommends that Montenegro address the root causes by focusing on European integration, harmonization of the Constitution in line with modern States, poverty reduction, social inclusion and accelerated growth, strengthened democratic processes, the fight against corruption, implementation and institutionalization of reform, public investments, refugee returns/integration and regional cooperation.

Conclusions and recommendations

75. *Vulnerable groups' social inclusion*: sustainable social inclusion for refugees, IDPs, Roma and other marginalized groups should be sought within the poverty reduction strategy and development opportunities. This is to be achieved through economic development, long-term investments and employment generation programmes for hard-to-employ groups, with a focus on enabling framework for small and medium-sized enterprises and socially responsible private sector development.

76. *Public administration reform and capacity development*: enabling public administration to carry out reforms, respond to the key EU accession challenges, support democratic institutions and the rule of law, thus becoming responsible, accountable and good governance.

77. *Environmental governance*: structures should be built for cross-institutional and regional coordination and cooperation to comply with EU environmental standards and international conventions. Further, Montenegro should be supported in its commitment to environmentally responsible development to achieve sustainable development that relies on tourism, renewable energy resources, forestry and organic production in a sustainable and environmentally responsible way.

E. Somalia

78. By its resolution 60/219, the General Assembly, inter alia, urged donor countries and regional and subregional organizations to continue to contribute to the reconstruction and rehabilitation of Somalia, and called upon the international community to provide humanitarian assistance and relief to the transitional federal institutions and the Somali people to alleviate in particular the consequences of the civil war and the prevailing drought.

Review of major developments

79. In late 2005, the already dire humanitarian situation in Somalia was further exacerbated by the failed *deyr* rainy season and the onset of the worst drought in more than a decade. By early January 2006, some 1.7 million people were in urgent

[6] Report on progress towards the achievement of the Millennium Development Goals in Montenegro 2005.

need of assistance. Southern Somalia was worst hit, including the Gedo, the Middle and Lower Juba, Bay and Bakool regions, where 1.4 million people were in critical need of assistance. Northern Gedo and the riverine areas of the Juba Valley were at moderate risk of famine.

80. Given the worsening humanitarian situation, the 2006 Somalia Consolidated Appeal was revised in March 2006 to reflect the growing scale of the crisis. The revised Appeal requests $331 million, up from $174 million, and targets 2.1 million people, including 400,000 internally displaced persons.

81. In April and May 2006, initial good *gu* rains in southern and north-west Somalia replenished water catchments and improved water access for drought-affected pastoral and agropastoral communities. The rains helped avert the worse case scenario of a famine. However, according to the FAO Food Security Analysis Unit, southern Somalia will remain in a state of humanitarian emergency until December 2006, while areas of central and northern Somalia will be in an acute food and livelihood crisis. Cereal crop harvest is projected to be below normal this season, possibly leading to a third consecutive year of poor crop production. Food access and supply will remain stressed until December.

82. United Nations agencies and partner NGOs require sustained and reinforced efforts to address the vast humanitarian needs. Since January 2006, eight out of nine nutrition assessments recorded global acute malnutrition rates that exceeded the emergency threshold of 15 per cent, and four recorded global acute malnutrition rates of over 20 per cent. In the drought-affected areas, an estimated 58,000 children under five years of age are malnourished, including 10,000 who are severely malnourished. Supplementary and therapeutic feeding programmes remain unacceptably low with less than 15 per cent coverage of target beneficiaries.

83. Polio was eradicated in Somalia in 2002, but the emergence of new cases means that the country poses one of the greatest threats to the global eradication of polio. Since the first case re-emerged in June 2005, a total of 210 wild polio virus cases have been confirmed as of May 2006. As part of the effort to halt the polio outbreak, several rounds of national immunization days have been completed. Some campaigns were synchronized with the border regions of Ethiopia, north-east Kenya and Djibouti as part of a regional prevention and control strategy.

84. Since February 2006, militia allied to the Alliance for the Restoration of Peace and Counter-Terrorism and the Islamic Courts Union have clashed at key strategic points in Mogadishu in an attempt to gain control of the city. According to the International Committee of the Red Cross, more than 2,000 conflict-related casualties have been admitted to Mogadishu's two main hospitals since the beginning of the year. The latest round of fighting in May 2006 resulted in the death of over 320 people and displacement of 17,800. While calm has returned to Mogadishu, now predominantly under the control of the sharia courts, the situation remains uncertain. However, these developments could still provide a window of opportunity to enhance humanitarian access and aid delivery to highly vulnerable populations. Mogadishu is host to the largest group of IDPs in Somalia — around a quarter of a million people — and yet very limited assistance has reached them over the last 15 years owing to restricted access.

85. Thousands of Ethiopians and Somalis continue to be vulnerable to organized smuggling rings in Puntland. Hundreds have died this year in attempts to cross the

sea to Yemen. Young women in particular have become targets of traffickers and end up in Kenya or South Africa. UNHCR, the Office for the Coordination of Humanitarian Affairs and UNDP, together with the International Organization for Migration, have been working together to facilitate the return of willing Ethiopians under an assisted voluntary return programme, which commenced on 22 May 2006. As of 31 May, 105 Ethiopians were returned and 313 were pending departure.

86. Protection remains a major gap in the operational response in Somalia. The situation of IDPs remains below any minimum acceptable standards owing to the combined effects of non-cooperation of the local authorities, limited presence of experienced United Nations and NGO staff on the ground and lack of required funding. While there have been some positive developments in obtaining clarity on national counterparts on displacement-related matters, some obstacles still remain. In 2006, the focus has been to develop a protection-monitoring mechanism to gain better access to the IDP population and establish networks that can improve response to protection and assistance needs.

Current challenges to development

87. The aid community has remained fully engaged in responding to the crisis in southern Somalia, but various factors have affected the pace, coverage and implementation of the response. These include logistical constraints owing to the continuing lack of infrastructure and localized flooding; insecurity; lack of sustainable access and humanitarian space; lack of partners and poor operational capacity; and delayed funding.

88. Insecurity resulting from inter and intra-clan conflict, particularly in southern and central Somalia, persisted during the reporting period. The highly volatile security environment continues to restrict access to communities affected by drought, harassment and exploitation. General insecurity also directly affects aid workers. On 1 March 2006, an international staff member was abducted for 30 hours in Afmadow district (Lower Juba) while on a joint assessment to identify priority interventions in response to the drought.

89. Against this backdrop, various advocacy initiatives on access and protection were initiated. On 17 February 2006, the Humanitarian Coordinator for Somalia widely disseminated an open letter to all Somali leaders urging all actors to work towards creating an environment conducive to free and safe passage of humanitarian assistance. Basic humanitarian principles on access and protection have been and continue to be disseminated among local authorities to garner grass-roots support for unhindered humanitarian space and operation.

90. As of June 2006, the Somalia CAP is 43 per cent covered with almost $142 million committed out of a total requirement of $331,371,720. A large proportion of the commitments received, however, were towards food needs, leaving many critical sectors such as agriculture, health, protection, security, shelter, water and sanitation less than 20 per cent funded.

Conclusions and recommendations

91. Somalia represents one of the most challenging humanitarian crises for the aid community today. Despite the recent rains, communities continue to suffer from the impact of the worst drought in more than a decade. The onset of the rains has not

put an end to the emergency, which continues to affect 2.1 million food insecure people. It will take at least five years for full recovery to occur, particularly among pastoralists who have suffered severe asset depletion, including the loss of their livestock. Much of southern Somalia remains in a state of humanitarian emergency and requires continued and sustained support.

92. In order to meet the needs of the vulnerable population, all actors in Somalia, including national and regional authorities and the aid community, must continue to ensure sustained and unhindered humanitarian access. The donor community is strongly urged to provide more flexible emergency funding and invest in the operational capacity of NGOs, while taking into account the security costs involved in establishing a presence in Somalia. Donors should increase their commitments towards the non-food sectors. All efforts should be made to support a strategy to provide humanitarian relief where needed and strengthen longer-term strategies aimed at finding durable solutions to food and livelihood insecurity.